

TUI GROUP Annual General Meeting 2016

Horst Baier – CFO



Highlights financial year 2014/15

In €m	2014/15	2013/14	Abw. in %
Turnover*	20,012	18,537	+8%
EBITA (underlying)*	1,069	870	+23%
EBITA*	865	777	+11%
Result from continuing operations	448	286	+57%
Net debt (30 Sep)	214	-293	n.m.
Earnings per share from continuing operations (€)	0.77	0.29	+266%
Underlying earnings per share (€)	0.98	0.75	+31%

Highlights FY 2014/15

- Turnover growth driven by increase in customer numbers and higher average revenues
- Considerable improvement in underlying earnings, earnings guidance was outperformed
- Group profit benefits from simplified Group structure and tax synergies

* Continuing operations

Income statement 2014/15

In €m	2014/15	2013/14
Turnover	20,012	18,537
EBITA (underlying)	1,069	870
Adjustments	-204	-93
EBITA	865	777
Interest result	-184	-224
Hapag-Lloyd	-146	-54
Earnings before tax	535	499
Income taxes	-87	-213
Result from continuing operation	448	286
Discontinued operation	-69	-15
Group profit	380	271
Minorities	-39	-180
Group profit after minorities	340	90
Earnings per share cont. op. (€)	0.77	0.29
Underl. earnings per share (€)	0.98	0.75

Operating profitability further improved, considerable growth in EBITA (underlying)

Considerable increase in reported EBITA despite merger-related increase in one-off expenses

Considerable improvement in result from continuing operations due to improved operating performance, lower interest costs and lower tax rate

Underlying earnings per share up by 30%

Adjustments

In €m	2014/15	2013/14
EBITA (underlying)	1,069	870
Gains on disposal	-5	-4
Restructuring expenses	65	44
Purchase price allocation	76	72
One-off items	68	-19
Total adjustments	-204	-93
EBITA	865	777

Increase in one-off expenses to around €204m in financial year 2014/15, in particular due to non-repeat of income included in prior year results and merger-related integration costs

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Further improvement in operating profitability, major increase in EBITA (underlying)

Major increase in reported EBITA despite merger-related increase in one-off expenses

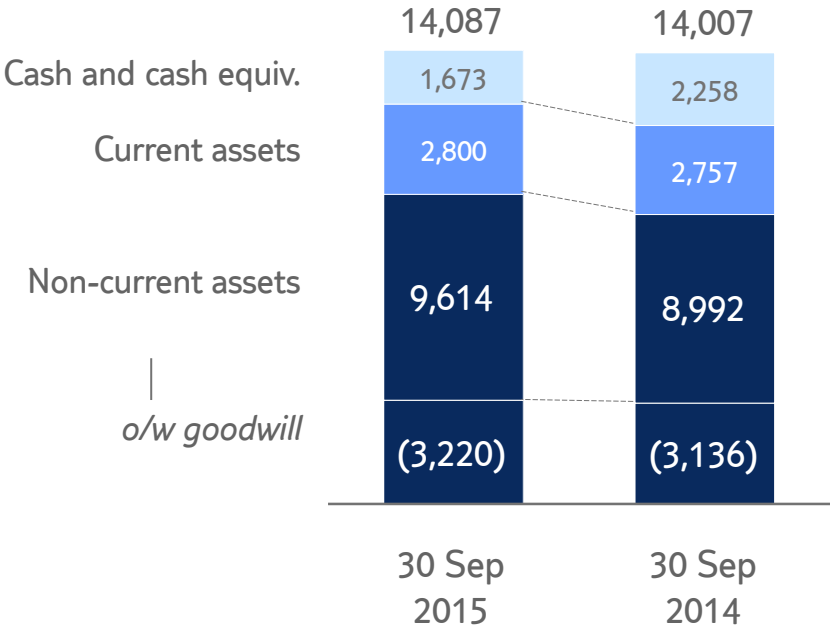
Major improvement in the result from continuing operations due to improved operating performance, lower interest costs and lower tax rate

Underlying earnings per share up by 30%

Financial position as at 30 Sep. 2015

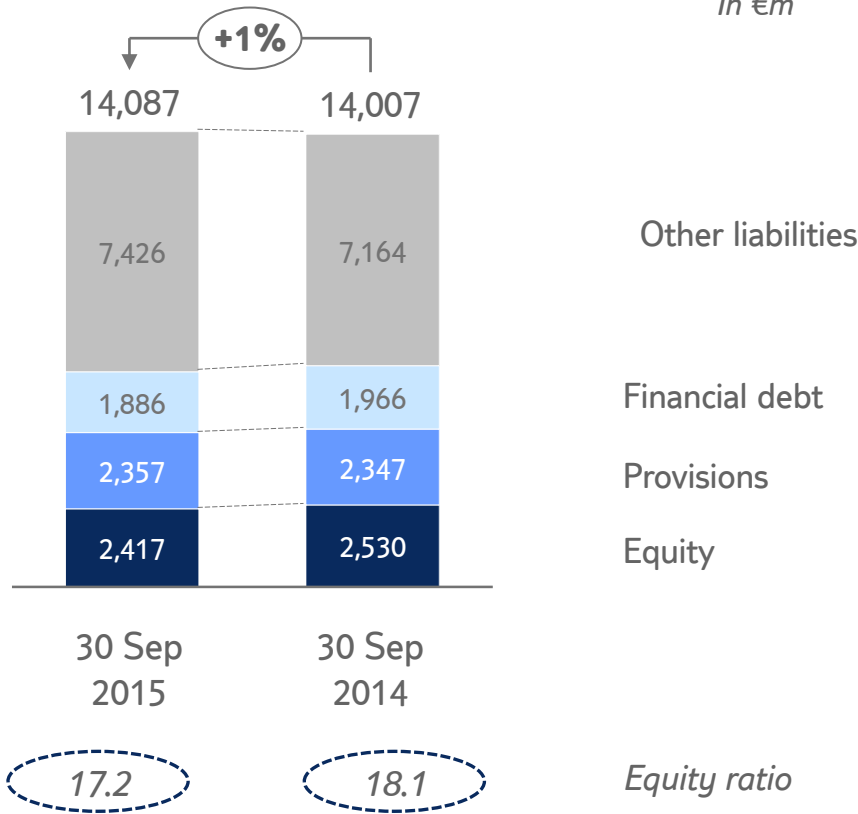
Assets

in €m



Liabilities

In €m



Net debt as at 30 September 2015

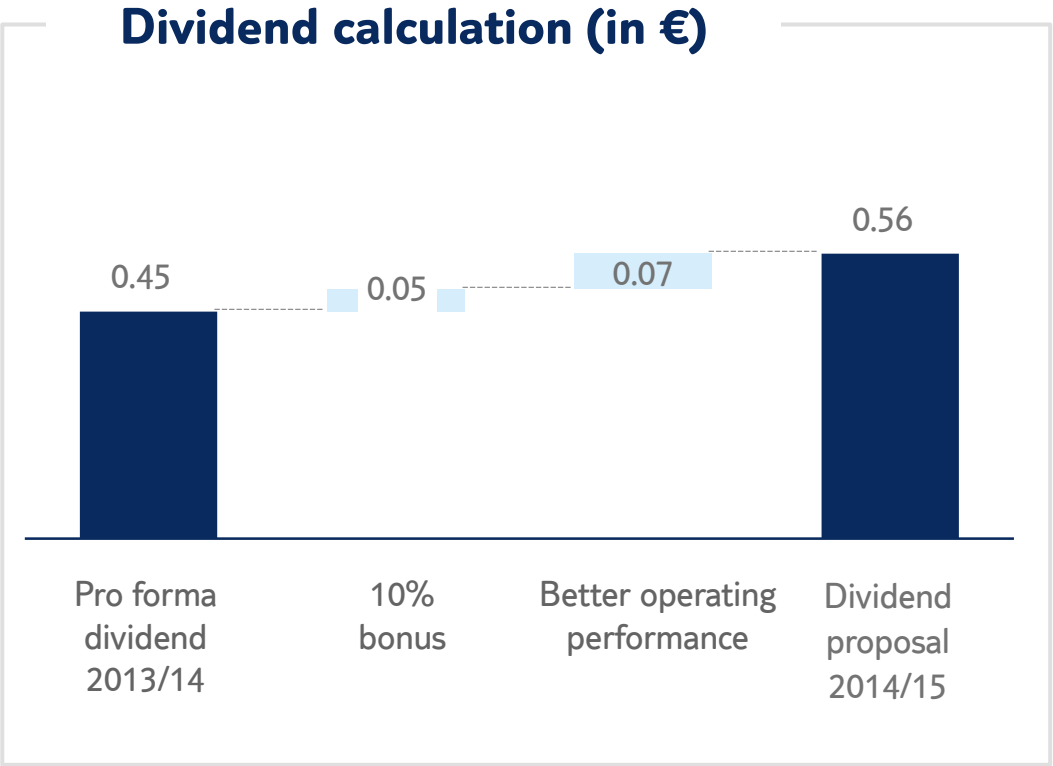
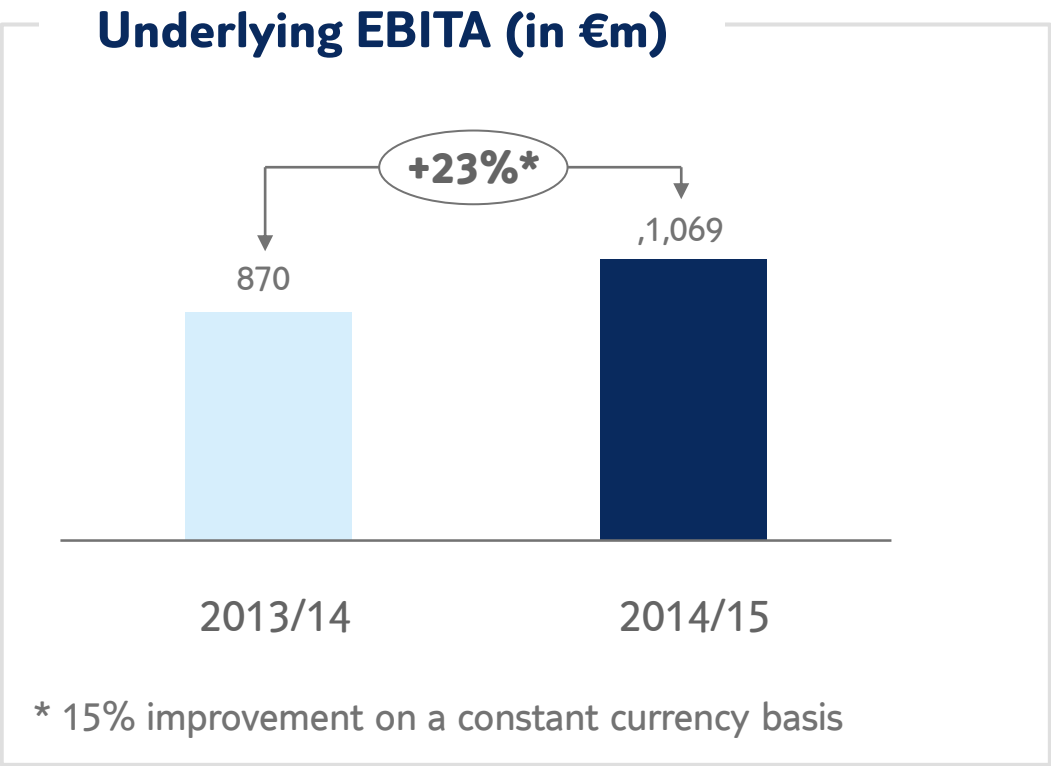
€m		
	30 Sep 2015	30 Sep 2014
Financial debt	1,887	1,965
current	1,654	1,748
non-current	233	217
Liquid funds	1,673	2,258
Net financial position	214	-293

Net debt TUI Group (€m)



- Significant reduction of €2.1bn in TUI Group debt in the past six years
- Slight increase in TUI Group debt in the financial year under review, primarily driven by finance leases
- Financial stability and flexibility are the basis for our sustained growth

Dividend proposal for financial year 2014/15



Proposed dividend of 56 cents reflects the strong growth in our operating result

Highlights Q1 2015/16

In €m	Q1 2015/16	Q1 2014/15	Var. in %
Brand turnover	4,357	4,076	+7%
Turnover	3,718	3,526	+5%
EBITA (underlying)	-102	-105	+3%
EBITA	-138	-141	+2%
Group loss	-164	-136	-21%
Net debt (30 Sep)	1,876	1,632	+15%
Earnings per share EPS (€)	-0.32	-0.32	

Highlights Q1 2015/16

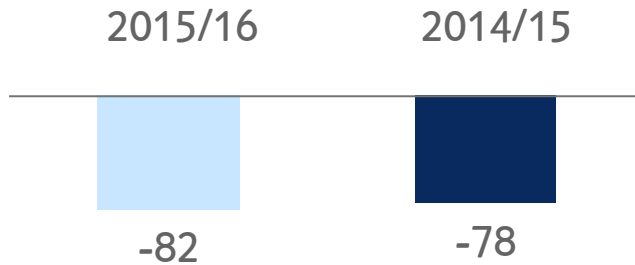
- Good start to financial year 2015/16 despite geopolitical challenges
- Increase in underlying EBITA of around 7%¹⁾, in particular driven by Northern Region and Riu
- €10m of additional synergies delivered

* Continuing operations

Operating performance in Q1 2015/16

Source Markets

in €m

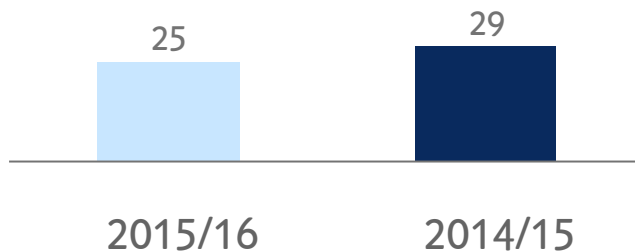


Highlights

- Northern Region delivers strong improvement in performance
- Continued challenging trading conditions in Central Region
- Western Region impacted by phasing of marketing costs for TUI rebranding in the Netherlands

Hotels & Resorts

in €m



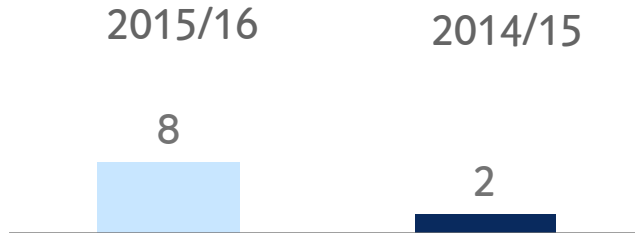
Highlights

- Riu delivers strong performance in the Canaries and Caribbean; prior year result included book profit of €16m
- Robinson impacted by higher marketing costs and weak occupancy of the new club in Tunisia

Operating performance in Q1 2015/16

Cruises

in €m

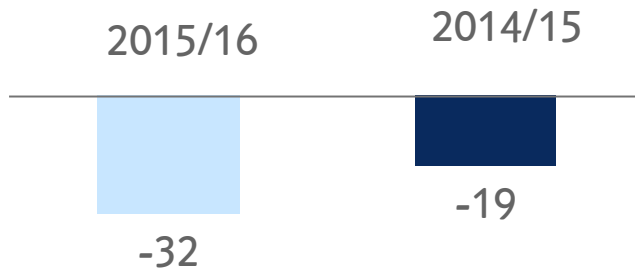


Highlights

- Good performance by Hapag-Lloyd Cruises, lower capacity in Q1 due to scheduled dry-docking of Europa and Hanseatic
- TUI Cruises: Strong demand for Mein Schiff 4 (launched in May 2015)

Specialist Travel

in €m



Highlights

- Disappointing performance by specialist tour operators in Q1, in particular due to geopolitical uncertainty (Adventure) and poor snow conditions (Ski)

Our targets for financial year 2015/16

Actual FY 2014/15

Growth target FY 2015/16 (on a constant currency basis)

Brand turnover: €22.6bn

min. +5%

Turnover: €20.0bn

min. +3%

EBITA (underlying): €1.1bn*

min. +10%

* Continuing operations

Agenda items 6 to 9

ITEMS:

Resolutions on authorisation to increase the share capital (ITEM 6), new authorised capital (ITEM 7), authorisation to issue bonds (ITEM 8) and authorisation to acquire and use own shares (ITEM 9)

The Executive Board and Supervisory Board ask you for your approval of Items 6 to 9.

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